

PLAN OF MERGER

For the Merger of
Vietnam Emerging Equity Fund Limited (“VEEF”)
and
Vietnam Lotus Fund Limited (“VLF”)
(the “Merger”)

in accordance with Section 233 of the Companies Law (2010 Revision)

1. *Name and registered office of each constituent company:*

**Vietnam Emerging Equity Fund Limited
Zephyr House, 122 Mary Street
P.O. Box 709
George Town
Grand Cayman KY1-1107
Cayman Islands**

**Vietnam Lotus Fund Limited
Zephyr House, 122 Mary Street
P.O. Box 709
George Town
Grand Cayman KY1-1107
Cayman Islands**

2. *Surviving company:*

**Vietnam Emerging Equity Fund Limited
Zephyr House, 122 Mary Street
P.O. Box 709
George Town
Grand Cayman KY1-1107
Cayman Islands**

3. *Share Capital in respect of each constituent company:*

- (a) Vietnam Emerging Equity Fund Limited:

Authorised:

US\$750,000 divided into:

100 Management Shares of par value US\$1 each
14,998,000 Shares of par value US\$0.05 each

Issued:

100 Management Shares of par value US\$1 each
2,023,497 Shares of par value \$0.05 each

- (b) Vietnam Lotus Fund Limited:

Authorised:

US\$2,000,000 divided into
40,000,000 Shares of par value US\$0.05 each

Issued:

9,917,857 Shares of par value US\$0.05 each

4. The Merger is intended to take effect on December 1, 2010.
5. *The terms and conditions of the proposed merger or consolidation, including the manner and basis of converting shares in each constituent company into shares in the consolidated or surviving company:*

Pursuant to the Merger, the current shareholders of VLF (who all hold shares of the same class) will be issued shares in VEEF, the surviving company, on a straight line NAV valuation basis.

The valuation date for the purpose of the Merger will be October 29, 2010.

Shares will not be converted.

Shareholders in VLF will have their VLF shares cancelled in return for the issue of new Shares in VEEF on a straight line NAV basis so as to ensure that the total NAV of the VLF Shares held by each individual VLF shareholder immediately prior to the Merger shall have the same NAV as the VEEF shares held by each such shareholder immediately post Merger.

All VLF shares shall be cancelled in the Merger.

Worked example

By way of example, if the Merger took effect as of October 21, 2010:

The NAV of VEEF was US\$9,186,676 as at October 21, 2010.

VEEF had 2,023,497 Shares in issue at that date, giving a NAV per Share of US\$4.54.

The NAV of VLF was US\$20,391,113 as at October 21, 2010.

VLF had 9,917,857 Shares in issue at that date, giving a NAV per Share of US\$2.056

The combined NAV of the merged entity would therefore be US\$29,577,789 as at October 21, 2010.

As VEEF has a higher NAV per share, on a straight line NAV basis each VLF shareholder would receive 1 VEEF Share for every 2.2081712 VLF Shares.

Thus 4,491,435 new VEEF Shares would be issued in return for the cancellation of all issued VLF Shares.

Thus immediately post Merger the total number of issued Shares in VEEF would be 6,514,932. The NAV of the merged entity would be US\$29,577,789. The NAV per Share of VEEF would equal 4.54 and so would not change as a result of the Merger.

6. The rights and restrictions attaching to the Shares in the surviving company in the Merger shall be the same as currently exist, and these are as set out in the Prospectus and Memorandum and Articles of Association of VEEF (attached hereto).

7. The current Memorandum of Association and Articles of Association of VEEF, being the surviving company in the Merger, shall be the Memorandum of Association and Articles of Association of the surviving company after the Merger.
8. No cash sums or any other benefits will be payable to any director of a constituent company or the surviving company consequent on the merger or consolidation.
9. Neither the constituent company nor the surviving company has any secured creditors.
10. The names and addresses of the directors of the surviving company, being Vietnam Emerging Equity Fund Limited, are as follows:

Philip Smiley	58 Blenheim Drive, Oxford, OX2 8DQ, UK
Christopher Vale	Copper Beeches, Broom Close, Esher, Surrey KT10 9ET, UK
Antony Jordan	50 Chester Row, London, SW1W 8JP, UK
Gregory Hazlett	14 Lily Pond Court, Rockville, MD 20852, USA

11. In accordance with Section 235 of the Companies Law (2010 Revision), this Plan of Merger may be amended by the directors of the constituent companies so that at any time prior to this Plan of Merger becoming effective, it may be
 - (a) terminated; or
 - (b) amended by the directors of the constituent companies to change the effective date of the Merger provided that the new effective date complies with Section 234 of the Companies Law (2010 Revision).
12. Attached to this plan of merger, please find the following documents:
 - (a) Certificates of Good Standing in respect of each of VEEF and VLF;
 - (b) A copy of the Memorandum of Association of VEEF;
 - (c) A copy of the Articles of Association of VEEF;
 - (d) A Director's Declaration for each of VEEF and VLF that:
 - a. VEEF will be immediately after the Merger able to pay its debts as they fall due;
 - b. the Merger is bona fide and not intended to defraud unsecured creditors of either VEEF or VLF;
 - c. no petition or order to wind up either VEEF or VLF is outstanding;
 - d. no receiver, trustee, administrator or other similar person has been appointed in any jurisdiction in respect of either VEEF or VLF;
 - e. no scheme, order, compromise or other similar arrangement has been entered into in respect of either VEEF or VLF;
 - f. a statement of the assets and liabilities of each of VLF and VEEF made up the latest practicable date before the making of the declaration; and
 - g. confirmation that VLF has retired from any fiduciary office held immediately prior to the Merger (if any).
 - (e) An undertaking that a copy of the Certificate of Merger will be given to the members and creditors of both VLF and VEEF and published in the Gazette.

[NAME]
Director
FOR AND ON BEHALF OF
VIETNAM EMERGING EQUITY FUND LIMITED

[NAME]
Director
FOR AND ON BEHALF OF
VIETNAM LOTUS FUND LIMITED